

## Market of State Treasury Bonds

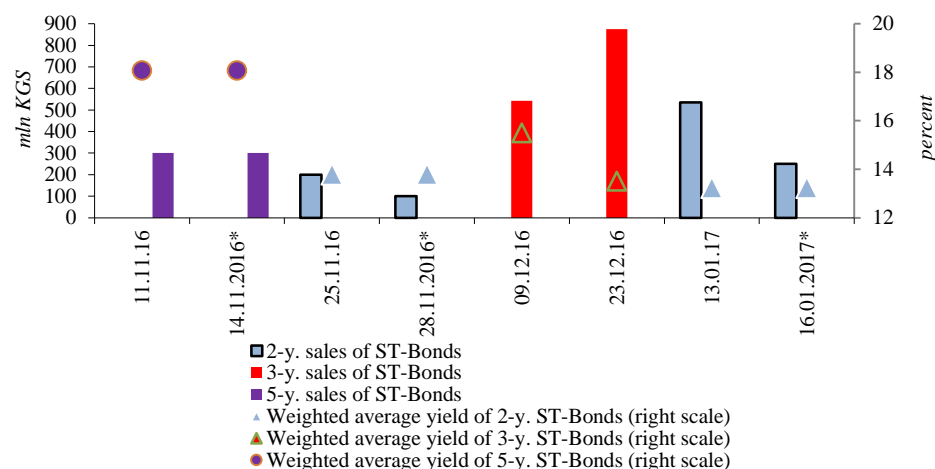
(January 2017)

In the reporting period, the Ministry of Finance of the Kyrgyz Republic held one auction on placement of treasury bonds and one additional placement of ST Bonds due to excess demand.

The amount of the announced ST Bonds issue at the auction amounted to KGS 535.0 million, having decreased by 62.7 percent over the month. The volume of demand reached KGS 1.2 billion, having decreased by 68.5 percent as compared to the previous month. At the same time, market participants (taking into account the additional placement) purchased 2-year ST Bonds to the amount of KGS 785 million (-44.6 percent).

In the reporting period, the overall weighted average yield on all types of ST Bonds amounted to 13.3 percent, having decreased by 1.0 percentage points over the month.

**Chart 2. Dynamics of volume of supply and demand and yield of STB**



The volume of ST Bonds in circulation was KGS 14 billion, having increased by 2.4 percent. At the same time, the share of principal holders, institutional investors, has decreased down to 61.4 percent (-1.6 percentage points), while the share of commercial banks, on the contrary, increased up to 37.9 percent (+1.5 percentage points). The share of resident legal entities made 0.7 percent (+0.1 percentage point).

Based on monthly results, the concentration index of ST Bonds' primary market reached 0.35, which points to high level of concentration and corresponds to the presence of three investors with equal shares in the market.

**Table 1. The structure of the STB holders at face value**

Date	TOTAL	of which									
		Commercial Banks		Institutional Investors		Juridical person - residents		Juridical person - non-residents		individuals - residents	
		Amount	Share	Amount	Share	Amount	Share	Amount	Share	Amount	Share
01.02.2016	9 909 750,6	3 870 305,9	39,1	6 011 028,7	60,7	28 366,0	0,3	0,0	0,0	50,0	0,0
01.03.2016	9 906 961,3	3 884 638,0	39,2	5 985 307,3	60,4	36 966,0	0,4	0,0	0,0	50,0	0,0
01.04.2016	9 625 061,3	4 067 738,0	42,3	5 520 307,3	57,4	36 966,0	0,4	0,0	0,0	50,0	0,0
01.05.2016	10 341 061,3	4 641 300,3	44,9	5 662 745,0	54,8	36 966,0	0,4	0,0	0,0	50,0	0,0
01.06.2016	10 412 061,3	4 544 485,4	43,6	5 826 559,9	56,0	40 966,0	0,4	0,0	0,0	50,0	0,0
01.07.2016	10 558 061,3	4 590 605,3	43,5	5 926 440,0	56,1	40 966,0	0,4	0,0	0,0	50,0	0,0
01.08.2016	11 003 061,3	4 558 692,2	41,4	6 404 353,1	58,2	39 966,0	0,4	0,0	0,0	50,0	0,0
01.09.2016	11 288 061,3	4 360 364,9	38,6	6 884 533,4	61,0	43 113,0	0,4	0,0	0,0	50,0	0,0
01.10.2016	11 563 561,3	4 422 089,3	38,2	7 095 809,0	61,4	45 613,0	0,4	0,0	0,0	50,0	0,0
01.11.2016	11 646 061,3	4 537 941,4	39,0	7 062 456,9	60,6	45 613,0	0,4	0,0	0,0	50,0	0,0
01.12.2016	12 417 661,3	4 747 209,6	38,2	7 584 588,7	61,1	85 813,0	0,7	0,0	0,0	50,0	0,0
01.01.2017	13 698 111,3	4 983 163,1	36,4	8 629 085,2	63,0	85 813,0	0,6	0,0	0,0	50,0	0,0
01.02.2017	14 026 261,3	5 318 167,4	37,9	8 612 280,9	61,4	95 813,0	0,7	0,0	0,0	0,0	0,0